

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:							
Company	Gregg Galecki Environmental Coordinator						
OGM	Karl Houskeeper Environmental Scientist III						

Inspection Report

Permit Number:	C0070005		
Inspection Type:	PARTIAL		
Inspection Date:	Friday, May 16, 2008		
Start Date/Time:	5/16/2008 9:00:00 AM		
End Date/Time:	5/16/2008 2:00:00 PM		
Last Inspection:	Friday, April 25, 2008		

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 70 Deg. F. InspectionID Report Number: 1644

Accepted by: jhelfric 6/2/2008

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC

Site: SKYLINE MINE

Address: HC 35 BOX 380, HELPER UT 84526

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

10,374.00	Total Permitted			
79.12	Total Disturbed			
	Phase I			
	Phase II			
	Phase III			

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground State Surface County ☐ Loadout **✓** Fee Processing Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The following permit conditions have been met or are being met:

- 1) Water Monitoring data is being submitted in an electronic format to the Division.
- 2) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.

Inspector's Signature:

Date

Friday, May 16, 2008

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Permit Number: C0070005 Inspection Type: PARTIAL

Inspection Date: Friday, May 16, 2008

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
- b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcemen
1.	Permits, Change, Transfer, Renewal, Sale	✓		~	
2.	Signs and Markers	✓		V	
3.	Topsoil				
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	V		V	
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring	V		✓	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives	✓			
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓			
8.	Noncoal Waste	V			
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.	Slides and Other Damage				
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading				
13.	Revegetation				
14.	Subsidence Control				
15.	Cessation of Operations				
16.8	a Roads: Construction, Maintenance, Surfacing				
16.b	Roads: Drainage Controls				
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations				
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other				

Permit Number: C0070005 Inspection Type: PARTIAL

Inspection Date: Friday, May 16, 2008

Page 3 of 3

1. Permits, Change, Transfer, Renewal, Sale

The following permit conditions have been met or are being met:

- 1) Water Monitoring data is being submitted in an electronic format to the Division.
- 2) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.

2. Signs and Markers

The Mine ID signs are at the point of public access to the permit area and contain the required information. All other signs and markers are in accordance with the coal rules.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Turbidity curtains have been installed in the sediment pond at the coal load out. The curtains have been placed at the points of the surface water entrances into the pond. The purpose of the curtains is to increase the retention time to allow sediments to drop closer to the banks of the pond.

4.d Hydrologic Balance: Water Monitoring

The fourth quarter 2007 water monitoring report is in the EDI website and has been uploaded.